

PREPARED BY: Doug Gibbs
 DATE PREPARED: January 17, 2011
 PHONE: 471-0051

LB 210

Revision: 00

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$37,000	\$180,000	(\$5,000)	0
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$37,000	\$180,000	(\$5,000)	0

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 210 amends a number of revenue statutes dealing with sales and use tax collection to change the due dates for sales and use tax returns from the 25th of the month to the 20th of the month following the prior reporting period.

The bill also amends Section 72-258.03, which defines "appraised value" for purposes of the sale of educational lands at public auction by deleting the requirement that the Property Tax Administrator provide the adjusted value to the property. The value is now established as defined in Sections 72-252 and 72-258, which require that educational land is appraised for purposes of sales in the same manner as private land and is sold at not less than appraised value.

LB 210 amends Section 77-702 by removing the requirement that the Property Tax Administrator attend an annual two-day seminar on various appraisal subjects and law. The Department of Revenue regards this requirement as obsolete.

Amends Section 77-1327 (5) to require county assessors to electronically report data on assessed valuation and other similar information to the Property Tax Administrator.

The bill repeals Section 77-1355, which thereby eliminates the Greenbelt Advisory Committee.

Amends Section 77-1783.01 to grant the Department of Revenue additional time to file a demand for payment to a responsible corporate officer when the corporate tax liability is the subject of a bankruptcy. The Department would now have one year to file after the bankruptcy proceeding is closed or dismissed.

LB 210 amends Section 77-2704.50 to allow a common carrier to file a renewal application for sales tax exemption every five years instead of the current three years.

The bill amends Section 81-8,128 to provide that the State Athletic Commissioner's office is under the general supervision of the Charitable Gaming Division of the Department of Revenue. At this time the head of the Charitable Gaming Division is serving as the Athletic Commissioner.

Amends Section 81-1260 to provide that any sales tax due on transient lodging imposed under the Nebraska Visitors Development Act shall be due and payable monthly on or before the 25th day of the month. Also amends Section 81-15,164, which deals with the Waste Recycling and Incentive Act to provide that the one dollar tire fees collected under Section 81-15,162 are due and payable on or before the 25th of each month.

The Department of Revenue estimates that LB 210 would result in an annual savings of \$5,000 in expenditures due to the elimination of the seminar requirement for the Property Tax Administrator and that the earlier collection and deposit of sales tax will result in an additional \$180,000 in interest to the General Fund.

The Department also estimates a one-time programming cost of \$42,000.

There is no basis to disagree with the Department of Revenue's estimate of fiscal impact or cost.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Lyn Heaton	DATE	1/18/11	PHONE	471-2526
COMMENTS					
DEPT. OF REVENUE – The agency estimate appears reasonable.					

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JAN 18 2011

LEGISLATIVE

Fiscal Note 2011

LB 210

State Agency Estimate

State Agency Name: Department of Revenue		Date Due LFA: 1/18/2011				
Approved by: Douglas Ewald		Date Prepared: 1/12/2011				
		Phone: 471-5700				
FY 2011-2012		FY 2012-2013		FY 2013-2014		
Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue	
General Funds	\$ 37,000	\$ 180,000	(\$ 5,000)	\$ 180,000	(\$ 5,000)	\$ 180,000
Cash Funds						
Federal Funds						
Other Funds						
Total Funds	\$ 37,000	\$ 180,000	(\$ 5,000)	\$ 180,000	(\$ 5,000)	\$ 180,000

LB 210 changes the due date for sales and use tax returns from the 25th to the 20th of the month following the prior reporting period.

The bill grants additional time for the Department to send a demand to a responsible corporate officer when the corporate tax liability is the subject of a Title 11, federal bankruptcy, and the corporation is making payments under that plan. The Department could file a demand against a corporate officer one year after the bankruptcy proceeding is closed or dismissed.

The bill allows a common or contract carrier to file a renewal application for sales tax exemption every five years instead of the current three years.

The bill amends section 72-258.03 to no longer require the Property Tax Administrator to provide the adjusted value to the Board of Educational Lands and Funds for School Trust land. The Board of Educational Lands and Funds can retrieve this information directly from the county assessor's office or from the county assessors' websites.

LB 210 also amends section 77-702 to remove obsolete language requiring the Property Tax Administrator to attend an annual seminar. This will result in an annual savings of \$5,000 in operating costs.

Section 77-1327 requires county assessors to electronically report information to the Property Tax Administrator. Section 77-1355 is repealed, which would eliminate the Greenbelt Advisory Committee.

Deposit of sales tax collections would be made five days earlier, resulting in an estimate of additional interest to the General Fund of \$180,000.

A one-time programming cost of \$42,000 would be incurred by the Department.

The sales and use tax sections of this bill take effect October 1, 2011. The remaining sections take effect three months after the bill becomes law.

Major Objects of Expenditure							
Class Code	Classification Title	11-12 FTE	12-13 FTE	13-14 FTE	11-12 Expenditures	12-13 Expenditures	13-14 Expenditures
	Benefits.....						
	Operating Costs.....				\$37,000	(\$5,000)	(\$5,000)
	Travel.....						
	Capital Outlay.....						
	Aid.....						
	Capital Improvements.....						
	Total.....				\$37,000	(\$5,000)	(\$5,000)